

1 JOSHUA HILL JR. (SBN 250842)
jhill@mofo.com
2 CHRISTINE Y. WONG (SBN 284026)
christinewong@mofo.com
3 MORRISON & FOERSTER LLP
425 Market Street
4 San Francisco, CA 94105
Tel: (415) 268-7000
5 Fax: (415) 268-7522

6 *Special Regulatory Counsel to Debtors*
7 *and Debtors in Possession*

8 **UNITED STATES BANKRUPTCY COURT**
9 **NORTHERN DISTRICT OF CALIFORNIA**
10 **SAN FRANCISCO DIVISION**

11 **In re:**

12 **PG&E CORPORATION,**

13 **- and -**

14 **PACIFIC GAS AND ELECTRIC**
15 **COMPANY,**

16 **Debtors.**

- 17 ☐ Affects PG&E Corporation
18 ☐ Affects Pacific Gas and Electric Company
19 ☒ Affects both Debtors

20 ** All papers shall be filed in the Lead Case No.*
21 *19-30088 (DM).*

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case)

(Jointly Administered)

**SUMMARY OF APPLICATION OF
MORRISON & FOERSTER LLP FOR
FINAL ALLOWANCE AND PAYMENT
OF COMPENSATION AND
REIMBURSEMENT OF EXPENSES
FOR THE PERIOD JANUARY 29, 2019
THROUGH AND INCLUDING JULY 1,
2020**

Date: TBD

Time: TBD

Place: United States Bankruptcy Court
Courtroom 17, 16th Floor
San Francisco, CA 94102

Objection Deadline: September 21, 2020, at
4:00 p.m. (Pacific Time)

1 **General Information**

2 Name of Applicant: Morrison & Foerster LLP ("**Morrison &**
3 **Foerster**")
4 Authorized to Provide Special Regulatory Counsel to Debtors and
Professional Services to: Debtors in Possession
5 Retention Date: June 12, 2019 *nunc pro tunc* to January 29,
6 2019
7 Prior Applications: None.

8 **Summary of Fees and Expenses Sought in this Application**

9 Time Period Covered by this Application: January 29, 2019 through and including July 1,
10 2020 (the "**Final Compensation Period**")
11 Amount of Compensation Sought as Actual,
Reasonable, and Necessary for the Final
12 Compensation Period: \$3,640,643.07
13 Amount of Expense Reimbursement Sought As
Actual, Reasonable, and Necessary for the
14 Final Compensation Period: \$50,309.08
15 Total Compensation and Expenses Requested
for the Final Compensation Period: \$3,690,952.15

16 **Summary of Voluntary Fee and Expense Reductions for the Final Compensation Period**

17 Amount of Voluntary Reductions to
18 Compensation Sought During the Final
Compensation Period: \$89,445.26
19 Amount of Voluntary Reductions to Expenses
20 Incurred During the Final Compensation
Period: \$0.00

21 **Total Fees and Expenses Allowed Pursuant to Prior Applications**

22 Total Allowed Compensation Paid to Date: \$0.00
23 Total Allowed Expenses Paid to Date: \$0.00
24 Total Allowed Compensation and Expenses
25 Paid to Date: \$0.00
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Total Fees and Expenses Paid to Applicant Pursuant to Monthly Statements but Not Yet Allowed

Compensation Sought Already Paid Pursuant to the Interim Compensation Order but Not Yet Allowed:	\$2,798,239.61
Expenses Sought Already Paid Pursuant to the Interim Compensation Order but Not Yet Allowed:	\$50,176.68

Summary of Rates and Other Related Information in this Application

Blended Rate in this Application for All Attorneys: \$645.51
Blended Rate in this Application for All Timekeepers: \$616.16
Number of Timekeepers Included in this Application: 48 (40 attorneys; 8 paraprofessionals and other non-legal staff)
Difference Between Fees Budgeted and Compensation Sought for this Period: The compensation sought is less than the aggregate fees budgeted for Morrison & Foerster in the debtor-in-possession financing budget for the Final Compensation Period.
Number of Attorneys Billing Fewer than 15 Hours to the Cases During the Final Compensation Period: 25 attorneys
Increase in Rates: Morrison & Foerster and the Debtors previously agreed to a rate structure governing the period from January 1, 2019 through December 31, 2020, as described more fully herein.
This is a(n):___ Interim X Final Application

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SUMMARY OF PRIOR INTERIM FEE APPLICATIONS

None.

**COMPENSATION BY PROFESSIONAL
JANUARY 29, 2019 THROUGH AND INCLUDING JULY 1, 2020**

Name of Professional Person	Department, Date of First Admission <i>or</i> Years in Position	Hourly Billing Rate	Total Billed Hours	Total Compensation
Partners and Of Counsel				
Aizen, Ron	Dep't: Tax Admission: 2006	\$977.50 (2019)	23.5	\$22,971.25
Becchina, Ann	Dep't: Tax Admission: 1996	\$977.50 (2019)	0.5	\$488.75
Belonick, Alexa	Dep't: Corporate Admission: 2012	\$637.50 (2019)	0.9	\$573.75
Chudd, Daniel E.	Dep't: Litigation Admission: 2003	\$828.75 (2019)	3.8	\$3,149.25
Hill, Joshua	Dep't: Litigation Admission: 2002	\$905.25 (2019)	504.6	\$456,791.00
		\$882.57 (2020)	16.1	\$14,209.38
		\$905.25 (2020)	233.3	\$211,195.32
Hines Gold, Amanda	Dep't: Tax Admission: 2007	\$760.75 (2019)	1.3	\$988.98
Kaufmann, Steven M.	Dep't: Corporate Admission: 1984	\$977.50 (2019)	3	\$2,932.50
Lesmes, Scott	Dep't: Corporate Admission: 1996	\$871.25 (2019)	0.5	\$435.63
Liu, Jaclyn	Dep't: Corporate Admission: 1998	\$977.50 (2019)	8.6	\$8,406.50
Lynn, David M.	Dep't: Corporate Admission: 1995	\$1,487.50 (2019)	0.1	\$148.75
Mac Cormac, Susan H.	Dep't: Corporate Admission: 1997	\$1,020.00 (2019)	43.3	\$44,166.00
		\$1,020.00 (2020)	0.5	\$510.00
Parris, Brandon C.	Dep't: Corporate Admission: 1998	\$1,041.25 (2019)	7.1	\$7,392.90
Rivera, Sylvia	Dep't: Litigation Admission: 2002	\$858.50 (2020)	5.3	\$4,550.05
Tate, Eric A.	Dep't: Litigation Admission: 1995	\$956.25 (2019)	0.3	\$286.88
Wong, Christine Y.	Dep't: Litigation Admission: 2001	\$828.75 (2019)	527.2	\$436,918.35

Name of Professional Person	Department, Date of First Admission <i>or</i> Years in Position	Hourly Billing Rate	Total Billed Hours	Total Compensation
		\$807.98 (2020)	0.5	\$403.99
		\$828.75 (2020)	34	\$28,177.65
Arnsbarger, Linda A.	Dep't: Tax Admission: 1985	\$845.75 (2019)	5.3	\$4,482.48
Aubry, Lloyd W.	Dep't: Litigation Admission: 1975	\$760.75 (2019)	14.1	\$10,726.62
Lucia, Seth T.	Dep't: Finance & Projects Admission: 2006	\$760.75 (2019)	47.8	\$36,363.89
Nardali, Ali U.	Dep't: Tax Admission: 2008	\$760.75 (2019)	7.9	\$6,009.97
Associates and Attorneys				
Abbot, Lisa H.	Dep't: Corporate Admission:	\$722.50 (2019)	13.9	\$10,042.75
Annobil, Yacoba Elsie	Dep't: Litigation Admission: 2015	\$590.75 (2019)	418.4	\$247,170.30
		\$637.50 (2020)	2.1	\$1,338.75
Barr, Sarah Elizabeth	Dep't: Litigation Admission: 2017	\$467.50 (2019)	1113.6	\$520,608.00
		\$493.08 (2020)	13.2	\$6,508.65
		\$505.75 (2020)	1.4	\$708.06
Bausback, Ian K.	Dep't: Litigation Admission: 2014	\$590.75 (2019)	5.7	\$3,367.32
Butterfield, Benjamin	Dep't: Business Restructuring & Insolvency Admission: 2014	\$684.25 (2019)	5.6	\$3,831.81
Carter, Will Talcott	Dep't: Corporate Admission: 2019	\$433.50 (2019)	3.8	\$1,647.30
Finfrock, Jesse M.	Dep't: Corporate Admission: 2015	\$590.75 (2019)	4.4	\$2,599.32
Fisch, Justin	Dep't: Litigation Admission: 2017	\$467.50 (2019)	0.2	\$93.50
Floyd, Amani Solange	Dep't: Litigation Admission: 2014	\$590.75 (2019)	486.2	\$287,223.67

Name of Professional Person	Department, Date of First Admission <i>or</i> Years in Position	Hourly Billing Rate	Total Billed Hours	Total Compensation
Fox, Benjamin T.R.	Dep't: Corporate Admission: 2014	\$590.75 (2019)	40.1	\$23,689.16
Kissner, Andrew	Dep't: Business Restructuring & Insolvency Admission: 2017	\$531.25 (2019)	50	\$26,562.76
		\$580.09 (2020)	1.8	\$1,044.18
		\$595.00 (2020)	14.5	\$8,627.50
Neitzey, Christina Nic	Dep't: Litigation Admission: 2018	\$467.50 (2019)	307.1	\$143,569.25
		\$493.08 (2020)	18.4	\$9,072.67
		\$505.75 (2020)	293.5	\$148,437.95
Nelson, R. Benjamin	Dep't: Litigation Admission: 2014	\$552.50 (2019)	140.1	\$77,405.25
Nicholson, Julie A.	Dep't: Litigation Admission: 2012	\$680.00 (2019)	911.5	\$619,820.00
		\$691.96 (2020)	32.2	\$22,281.10
		\$709.75 (2020)	78.9	\$55,999.43
Park, Kwan	Dep't: Litigation Admission: 2016	\$552.50 (2019)	26.4	\$14,586.00
Parnell, Jason R.	Dep't: Corporate Admission: 2012	\$552.50 (2019)	13.8	\$7,624.50
Plymale, Rachael K.	Dep't: Litigation Admission: 2015	\$590.75 (2019)	3.5	\$2,067.63
Sandoval, Robert Santo	Dep't: Litigation Admission: 2016	\$552.50 (2020)	10.9	\$6,022.25
See, Chere C.	Dep't: Corporate Admission: 2015	\$590.75 (2019)	1.4	\$827.05
Smith, Robin A.	Dep't: Litigation Admission: 2017	\$467.50 (2019)	3.5	\$1,636.25
Walchuk, Andrew J.	Dep't: Litigation Admission: 2017	\$467.50 (2019)	15.4	\$7,199.50
Paralegals and Non-Legal Staff				
Caballero, Jennifer	Dep't: Corporate Title: Impact Analyst Years in Position: 3 ½	\$233.75 (2019)	5	\$1,168.75

Name of Professional Person	Department, Date of First Admission <i>or</i> Years in Position	Hourly Billing Rate	Total Billed Hours	Total Compensation
Guido, Laura	Dep't: Business Restructuring & Insolvency Title: Senior Paralegal Years in Position: 12 ½	\$318.75 (2019)	32.8	\$10,455.08
		\$310.76 (2020)	5.5	\$1,709.18
		\$318.75 (2020)	14.4	\$4,590.05
Hurley, Teresa M.	Dep't: Litigation Title: Senior Paralegal Years in Position: 21	\$335.75 (2019)	2	\$671.50
Im, Amanda	Dep't: Litigation Title: Senior Paralegal Years in Position: 2 ½	\$310.25 (2019)	56.8	\$17,622.37
		\$310.25 (2020)	12.7	\$3,940.18
Manshardt, David J.	Dep't: Corporate Title: Paralegal Years in Position: 6 ½	\$267.75 (2019)	1.9	\$508.73
Middleman, Caitlin K.	Dep't: Litigation Title: Senior Paralegal Years in Position: 9 ½	\$306.00 (2019)	34.5	\$10,557.00
		\$314.50 (2019)	232.6	\$73,152.70
		\$306.62 (2020)	18.2	\$5,580.49
		\$314.50 (2020)	108.8	\$34,217.60
Williams, Jenn J.	Dep't: Tax Title: Paralegal Years in Position: 1	\$221.00 (2019)	0.5	\$110.50
Research Services	Dep't: Library Title: Various Years in Position: Various	\$255.00 (2019)	4.5	\$1,147.50
		\$297.50 (2019)	1.5	\$446.25
		\$318.75 (2019)	1	\$318.75
Total Incurred:			6,053.7	\$3,730,088.33
Less Client Accommodation for Time Entry Review (100% of Fees Incurred):			n/a	\$(11,112.09)
Less Client Accommodation for Non-Working Travel (50% of Fees Incurred):			n/a	\$(39,590.24)
Additional Client Accommodation:			n/a	\$38,742.93
Total Requested:			6,053.7	\$3,640,643.07

Summary of Total Fees

PROFESSIONALS	BLENDED RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
Partners and Counsel (19)	\$874.30	1,489.5	\$1,302,279.84
Associates (21)	\$560.98	4,031.5	\$2,261,611.86
Total Incurred by All Attorneys:	\$645.51	5,521.0	\$3,563,891.70
Paraprofessionals and Other Non-Legal Staff (8)	\$311.98	532.7	\$166,196.63
Subtotal (48 total professionals, paraprofessionals, and other non-legal staff):	\$616.16	6,053.7	\$3,730,088.33
Less Client Accommodation for Time Entry Review (100% of Fees Incurred):	n/a	n/a	\$(11,112.09)
Less Client Accommodation for Non-Working Travel (50% of Fees Incurred):	n/a	n/a	\$(39,590.24)
Additional Client Accommodation:	n/a	n/a	\$38,742.93
Total (48 total professionals, paraprofessionals, and other non-legal staff):	\$601.39	6,053.7	\$3,640,643.07

COMPENSATION BY PROJECT CATEGORY
JANUARY 29, 2019 THROUGH AND INCLUDING JULY 1, 2020

TASK CODE	DESCRIPTION	TIME BILLED	AMOUNT OF COMPENSATION
Matter 18 – Securities and Disclosure			
C100	Fact Gathering	0.5	\$435.63
	<i>Subtotal</i>	<i>0.5</i>	<i>\$435.63</i>
Matter 19 – Corporate Governance (General)			
C100	Fact Gathering	0.7	\$728.88
C200	Researching Law	1.4	\$827.05
P210	Corporate Review	1.9	\$1,615.01
P220	Tax	3.2	\$2,706.40
P270	Regulatory Reviews	0.2	\$93.50
P300	Structure/Strategy/Analysis	10	\$6,268.75
	<i>Subtotal</i>	<i>17.4</i>	<i>\$12,239.59</i>
Matter 20 – CPUC Investigation/OII			
C100	Fact Gathering	1,314.9	\$745,556.31
C200	Researching Law	127.8	\$68,281.01
C312	Client Counsel -Stat/Reg/Judicial	527.2	\$373,037.72
P100	Project Administration	74.9	\$24,811.21
P210	Corporate Review	7.6	\$6,812.69
P280	Other	11.8	\$9,220.84
P300	Structure/Strategy/Analysis	3,277.7	\$2,060,684.95
P400	Initial Document Preparation/Filing	198.3	\$103,713.04
Z016	Non-Working Travel	156.4	\$79,180.48
Z032	Time Entry Review	20.1	\$11,112.09
	Client Accommodation (Time Entry Review)		\$ (11,112.09)
	Client Accommodation (50% Non-Working Travel)		\$ (39,590.24)
	Additional Discount		\$ (36,627.48)
	<i>Subtotal</i>	<i>5,716.7</i>	<i>\$3,395,080.53</i>
Matter 21 – Management Compensation			
C200	Researching Law	37.8	\$24,670.01
P210	Corporate Review	13.7	\$11,733.43
P250	Employee/Labor	19.1	\$16,214.64
P280	Other	8.1	\$7,968.75
	<i>Subtotal</i>	<i>78.7</i>	<i>\$60,586.83</i>

TASK CODE	DESCRIPTION	TIME BILLED	AMOUNT OF COMPENSATION
Matter 24 – Ruby Pipeline Dispute			
C200	Researching Law	0.8	\$724.20
C312	Client Counsel -Stat/Reg/Judicial	0.7	\$633.68
C341	Business Disputes	5.3	\$5,014.58
P300	Structure/Strategy/Analysis	1.2	\$1,086.30
	<i>Subtotal</i>	<i>8</i>	<i>\$7,458.76</i>
Matter 25 – Corporate Structure			
C100	Fact Gathering	3.7	\$1,071.00
C200	Researching Law	19	\$10,848.13
P210	Corporate Review	29.8	\$27,886.82
P220	Tax	2.1	\$1,776.08
P300	Structure/Strategy/Analysis	143.8	\$104,220.77
	<i>Subtotal</i>	<i>198.4</i>	<i>\$145,802.80</i>
Matter 27 – Employee Discount			
C100	Fact Gathering	0.6	\$543.15
C200	Researching Law	16.2	\$10,572.30
	Client Accommodation		\$ (2,115.45)
	<i>Subtotal</i>	<i>16.8</i>	<i>\$9,000.00</i>
Matter 28 – Irrigation Districts			
C200	Researching Law	12	\$5,916.96
C341	Business Disputes	5.2	\$4,121.97
	<i>Subtotal</i>	<i>17.2</i>	<i>\$10,038.93</i>
	Total:	6,053.7	\$3,640,643.07

EXPENSE SUMMARY
JANUARY 29, 2019 THROUGH AND INCLUDING JULY 1, 2020

EXPENSE CATEGORY	AMOUNT
Photocopies	\$998.10
Color Copies	\$14,987.00
Outside Copying Svcs	\$57.40
Reporting Fees	\$372.00
Travel	\$26,411.62
On-line Research - OTHER DATABASE	\$3.00
Epiq eDiscovery Managed Services	\$2,181.50
Court Filing Service	\$77.50
Business Meals	\$250.26
Travel Meals	\$3,948.58
Outside Copying Service	\$487.50
Air Freight	\$32.63
Messenger Service	\$116.34
Miscellaneous Disbursement	\$60.96
Meals	\$146.47
Transportation	\$178.22
Total:	\$50,309.08

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8 **UNITED STATES BANKRUPTCY COURT**
9 **NORTHERN DISTRICT OF CALIFORNIA**
10 **SAN FRANCISCO DIVISION**

11 **In re:**

12 **PG&E CORPORATION,**

13 **- and -**

14 **PACIFIC GAS AND ELECTRIC
COMPANY,**

15 **Debtors.**

- 16 ☐ Affects PG&E Corporation
17 ☐ Affects Pacific Gas and Electric Company
18 ☒ Affects both Debtors

19 ** All papers shall be filed in the Lead Case No.
20 19-30088 (DM).*

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case)

(Jointly Administered)

**FINAL FEE APPLICATION OF
MORRISON & FOERSTER LLP FOR
ALLOWANCE AND PAYMENT OF
COMPENSATION AND
REIMBURSEMENT OF EXPENSES
FOR THE PERIOD JANUARY 29, 2019
THROUGH AND INCLUDING JULY 1,
2020**

Date: TBD

Time: TBD

Place: United States Bankruptcy Court
Courtroom 17, 16th Floor
San Francisco, CA 94102

Objection Deadline: September 21, 2020, at
4:00 p.m. (Pacific Time)

1 Morrison & Foerster LLP (“**Morrison & Foerster**”), special regulatory counsel to
2 the Debtors and Debtors in Possession (the “**Debtors**” in the above-captioned chapter 11 cases (the
3 “**Chapter 11 Cases**”), for its final application (the “**Application**”), pursuant to sections 330(a) and
4 331 of title 11 of the United States Code (the “**Bankruptcy Code**”) and Rule 2016 of the Federal
5 Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), for the final allowance of compensation
6 for professional services performed by Morrison & Foerster for the period commencing January
7 29, 2019 through and including July 1, 2020 (the “**Final Compensation Period**”) and for
8 reimbursement of its actual and necessary expenses incurred during the Final Compensation Period,
9 respectfully represents:

10 **PRELIMINARY STATEMENT AND CASE STATUS**

11 Since early 2018—and throughout the Chapter 11 Cases—Morrison & Foerster has
12 served as regulatory defense counsel to the Debtors, and have provided the Debtors with legal
13 advice concerning investigations by the Safety and Enforcement Division (“**SED**”) of the California
14 Public Utilities Commission (the “**CPUC**”). As a result of Morrison & Foerster’s efforts, the
15 Debtors were able to resolve the CPUC’s Order Instituting Investigation (an “**OII**”), a formal
16 investigation into the PG&E’s role in wildfires that took place in 2017 and 2018. After hard fought
17 litigation and arms’ length negotiations, the parties agreed on a settlement in which PG&E agreed
18 to forego rate recovery of certain wildfire-related expenditures to fund certain system enhancement
19 initiatives. Although the intervenors in the OII advocated for a more punitive settlement structure,
20 a large monetary fine, and increased financial penalties, the CPUC approved the settlement with
21 modifications to the disallowance provision and the tax treatment of disallowed operating
22 expenditures, and permanently suspended the payment of a cash fine.

23 In addition to its role as regulatory defense counsel, Morrison & Foerster has also
24 advised the Debtors with respect to certain capital markets, corporate governance, and employee
25 compensation matters that have arisen over the course of the Chapter 11 Cases.

26 During the Final Compensation Period, Morrison & Foerster assisted the Debtors in
27 connection with, among other things, the following:

28 (a) advising and representing the Debtors generally in connection with

1 investigations conducted by SED, including by performing legal and
2 factual due diligence, analyzing documents, conducting interviews, and
3 formulating responses to inquiries received from CPUC (including the
4 following data requests issued by the SED: Camp Fire SED-001 through
5 SED-006; North Bay Fire SED-006 and SED-007; and other
6 miscellaneous data requests);

- 7 (b) formulating strategy in advance of and preparing on behalf of the
8 Debtors necessary motions, applications, objections, and other filings in
9 any OIIs commenced by the SED relating to alleged violations of state
10 laws and regulations in connection with the 2017 and 2018 wildfires;
- 11 (c) advising and representing the Debtors generally in connection with any
12 Notices of Violation or Electric Safety Citations, pursuant to CPUC
13 Resolution ALJ-274, commenced by the SED relating to alleged
14 violations of state laws and regulations in connection with the 2017 and
15 2018 wildfires;
- 16 (d) negotiating with the SED and other regulatory bodies, as appropriate;
- 17 (e) advising and representing the Utility regarding its rights and obligations
18 under its Transportation Services Agreements with Ruby Pipeline,
19 L.L.C.;
- 20 (f) preparing memoranda analyzing compensation, corporate, and labor
21 law considerations relating to the PG&E Corp. and Utility Executive
22 Incentive Compensation Recruitment Policy;
- 23 (g) formulating strategy and providing general legal advice with respect to
24 executive compensation policies; and
- 25 (h) advising the Debtors with respect to regulatory disclosures, corporate
26 governance, and the Debtors' corporate form.

27 Morrison & Foerster has endeavored to monitor and coordinate with the other
28 professionals in these Chapter 11 Cases to ensure a clear delineation of each firm's respective roles
in connection with the representation of the Debtors in these Chapter 11 Cases and to prevent
duplication of services. The professional services performed and expenses incurred by Morrison
& Foerster were actual and necessary to preserve and protect the value of the Debtors' assets and
estates.

This Application has been prepared in accordance with the Bankruptcy Code, the
Bankruptcy Rules, the Bankruptcy Local Rules for the Northern District of California (the "**Local
Rules**"), the *Order Pursuant to 11 U.S.C. §§ 331 and 105(a) and Fed. R. Bankr. P. 2016 for
Authority to Establish Procedures for Interim Compensation and Reimbursement of Expenses of
Professionals* [Docket No. 701] (the "**Interim Compensation Order**"), the *Guidelines for
Compensation and Expense Reimbursement of Professionals and Trustees for the Northern District*

1 of California, dated February 19, 2014 (the “**Local Guidelines**”), the *U.S. Trustee Guidelines for*
2 *Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C.*
3 *§ 330 by Attorneys in Larger Chapter 11 Cases*, effective November 1, 2013 (the “**UST**
4 **Guidelines**,”), and the *Fee Examiner Protocol for Chapter 11 Cases of PG&E Corporation and*
5 *Pacific Gas and Electric Company* [Docket No. 4473-1] (as approved by the Court’s Order dated
6 November 15, 2019, as amended December 18, 2019 and January 30, 2020, the “**Fee Protocol**”
7 and, together with the Local Guidelines and the UST Guidelines, the “**Fee Guidelines**”).

8 In light of the size, complexity, and nature of these Chapter 11 Cases, Morrison &
9 Foerster’s charges for professional services performed and expenses incurred are reasonable under
10 the applicable standards. Morrison & Foerster respectfully requests that the Court grant the
11 Application and allow compensation for professional services performed and reimbursement for
12 expenses as requested herein on a final basis.

13 **JURISDICTION**

14 The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and
15 1334, the *Order Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General
16 Order 24 (N.D. Cal.), and Rule 5011-1(a) of the Bankruptcy Local Rules for the United States
17 District Court for the Northern District of California (the “**Bankruptcy Local Rules**”). This is a
18 core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before the Court pursuant to 28
19 U.S.C. §§ 1408 and 1409.

20 **BACKGROUND**

21 On January 29, 2019 (the “**Petition Date**”), the Debtors commenced with the Court
22 voluntary cases under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their
23 businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and
24 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in either of the Chapter
25 11 Cases. The Debtors’ Chapter 11 Cases are being jointly administered for procedural purposes
26 only pursuant to Bankruptcy Rule 1015(b).

27 On February 12, 2019, the United States Trustee (the “**U.S. Trustee**”) appointed an
28 Official Committee of Unsecured Creditors (the “**Creditors Committee**”). On February 15, 2019,

1 the U.S. Trustee appointed an Official Committee of Tort Claimants (the “**Tort Claimants**
2 **Committee**” and, together with the Creditors Committee, the “**Committees**”).

3 Additional information regarding the circumstances leading to the commencement
4 of the Chapter 11 Cases and information regarding the Debtors’ businesses and capital structure is
5 set forth in the *Amended Declaration of Jason P. Wells in Support of the First Day Motions and*
6 *Related Relief* [Docket No. 263] (the “**Wells Declaration**”).

7 **The Debtors’ Retention of Morrison & Foerster**

8 On May 22, 2019, the Debtors filed an application to employ Morrison & Foerster
9 as special regulatory counsel, effective as of the Petition Date [Docket No. 2193] (the “**Initial**
10 **Retention Application**”), which application was approved by Order, dated June 11, 2019 [Docket
11 No. 2502] (the “**Retention Order**”). A copy of the Retention Order is annexed hereto as **Exhibit**
12 **A**.

13 Subsequently, on December 2, 2019, Morrison & Foerster filed a supplemental
14 application to amend the scope of the Debtors’ retention of Morrison & Foerster as special
15 regulatory counsel, effective as of the Petition Date [Docket No. 4947] (together with the Initial
16 Retention Application, the “**Retention Application**”), which application was approved by Order,
17 dated December 31, 2019 [Docket No. 5242] (the “**Supplemental Retention Order**,” and, along
18 with the Retention Order, the “**Retention Orders**”). A copy of the Supplemental Retention Order
19 is annexed hereto as **Exhibit B**.

20 The Retention Orders authorize the Debtors to compensate and reimburse Morrison
21 & Foerster in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Fee Guidelines,
22 and the Interim Compensation Order. The Retention Orders also authorize the Debtors to
23 compensate Morrison & Foerster at its customary hourly rates for services rendered and to
24 reimburse Morrison & Foerster for its actual and necessary expenses incurred, subject to application
25 to this Court.

26 **Summary of Professional Compensation** 27 **and Reimbursement of Expenses Requested**

28 Morrison & Foerster seeks allowance of compensation for professional services

1 performed during the Final Compensation Period in the amount of \$3,640,643.07 and for
2 reimbursement of expenses incurred in connection with the rendition of such services in the amount
3 of \$50,309.08. During the Final Compensation Period, Morrison & Foerster attorneys and
4 paraprofessionals expended a total of 6,053.7 hours in connection with the necessary services
5 performed. During the Final Compensation Period, Morrison & Foerster voluntarily reduced the
6 amount of fees requested by \$89,445.26, and voluntarily reduced the amount of expenses incurred
7 by \$0.00.

8 There is no agreement or understanding between Morrison & Foerster and any other
9 person, other than members of the firm, for the sharing of compensation to be received for services
10 rendered in these Chapter 11 Cases. Except as set forth below with respect to payments received
11 by Morrison & Foerster pursuant to the Interim Compensation Order, during the Final
12 Compensation Period, Morrison & Foerster received no payment or promises of payment from any
13 source for services rendered or to be rendered in any capacity whatsoever in connection with the
14 matters covered by this Application.

15 Since the Petition Date, Morrison & Foerster has received payment from the Debtors
16 of \$2,798,239.61 in fees and \$50,176.68 for reimbursement of expenses pursuant to the Interim
17 Compensation Order. The fees charged by Morrison & Foerster in these Chapter 11 Cases are
18 billed in accordance with Morrison & Foerster's existing billing rates and procedures in effect
19 during the Final Compensation Period. The rates Morrison & Foerster charges for the services
20 rendered by its professionals and paraprofessionals in these chapter 11 cases generally are the same
21 rates Morrison & Foerster charges for professional and paraprofessional services rendered in
22 comparable bankruptcy and non-bankruptcy related matters. Such fees are reasonable based on the
23 customary compensation charged by comparably skilled practitioners in comparable bankruptcy
24 and non-bankruptcy cases in a competitive national legal market.

25 The summary sheets contain a schedule of Morrison & Foerster professionals,
26 paraprofessionals, and other non-legal staff who have performed services for the Debtors during
27 the Final Compensation Period, the capacities in which each individual is employed by Morrison
28 & Foerster, the department in which each individual practices, the hourly billing rate charged by

1 Morrison & Foerster for services performed by such individuals, the year in which each attorney
2 was first licensed to practice law, where applicable, and the aggregate number of hours expended
3 in this matter and fees billed therefor.

4 The summary sheets also contain a summary of Morrison & Foerster's hours billed
5 during the Final Compensation Period using project categories described therein and hereinafter
6 described. Morrison & Foerster maintains computerized records of the time spent by all Morrison
7 & Foerster attorneys and paraprofessionals in connection with the prosecution of these Chapter 11
8 Cases. Copies of these computerized records (as modified to address privileged and confidential
9 matters) have been filed on the docket with Morrison & Foerster's monthly fee statements and
10 furnished to the Debtors, counsel for each of the Committees, the U.S. Trustee, and the Fee
11 Examiner in the format specified by the Fee Guidelines.

12 The summary sheets also contain a schedule specifying the categories of expenses
13 for which Morrison & Foerster is seeking reimbursement and the total amount for each such
14 expense category. Itemized schedules of all such expenses have been filed on the docket with
15 Morrison & Foerster's monthly fee statements, provided to the Debtors, counsel for each of the
16 Committees, the U.S. Trustee, and the Fee Examiner.

17 Annexed hereto as **Exhibit C** is a certification regarding Morrison & Foerster's
18 compliance with the Fee Guidelines.

19 Annexed hereto as **Exhibit D** is a summary and comparison of the aggregate
20 blended hourly rates billed by Morrison & Foerster's timekeepers in New York to non-bankruptcy
21 matters during the preceding year on a rolling 12 months year ending July 1, 2020, along with the
22 blended hourly rates billed to the Debtors during the Final Compensation Period.

23 Morrison & Foerster discussed its rates, fees, and staffing with the Debtors at the
24 outset of these cases. Further, Morrison & Foerster provided the Debtors with estimated budgets
25 in connection with these cases. A summary of Morrison & Foerster's budget is attached hereto as
26 **Exhibit E**. A summary of staffing is attached hereto as **Exhibit F**. Attorneys and paraprofessionals
27 assigned to this matter were necessary to assist with the administration of the Chapter 11 Cases,
28 preservation of the Debtors' assets, and the other matters described herein. The Debtors are aware

1 of the complexities of these cases, the many issues that need to be addressed, the various disciplines
2 involved, and that staffing needs are dynamic based on a number of factors, many of which are
3 unpredictable, including the activities of other parties in interest in these Chapter 11 Cases.

4 To the extent that time or disbursement charges for services rendered or
5 disbursements incurred relate to the Final Compensation Period, but were not processed prior to
6 the preparation of this Application, Morrison & Foerster reserves the right to request additional
7 compensation for such services and reimbursement of such expenses in a future application.

8 **Summary of Services Performed by**
9 **Morrison & Foerster During the Final Compensation Period**

10 As described above, during the Final Compensation Period, Morrison & Foerster
11 rendered substantial professional services to the Debtors. The following is a summary of the
12 significant professional services rendered by Morrison & Foerster during the Final Compensation
13 Period, organized in accordance with Morrison & Foerster's internal system of project or work
14 codes.¹

15 ***Matter 18 – Securities and Disclosure***

16 a. Fact Gathering (Project Category C100)
17 Fees: \$435.63; Total Hours: .5

- 18
 - Analyzed the Debtors' public disclosures regarding ratio of
19 executive compensation to employee compensation, and proposed
20 revisions to same.

21 ***Matter 19 – Corporate Governance (General)***

22 a. Fact Gathering (Project Category C100)
23 Fees: \$728.88; Total Hours: 0.7

- 24
 - Analyzed eligibility and filing requirements for conducting business
25 under Colorado law.

26 b. Researching Law (Project Category C200)
27 Fees: \$827.05; Total Hours: 1.4

- 28
 - Analyzed eligibility and filing requirements for conducting business
under Colorado law.

¹ Certain services performed overlap between, or could appropriately be allocated to, more than one task code.

1 c. Corporate Review (Project Category P210)
2 Fees: \$1,615.01; Total Hours: 1.9

- 3 • Conducted legal review of Debtors' audit committee charter and
4 compliance with applicable law.

5 d. Tax (Project Category P220)
6 Fees: \$2,706.40; Total Hours: 3.2

- 7 • Analyzed tax issues with respect to joint ownership of business
8 entity with a municipality.

9 e. Regulatory Reviews (Project Category P270)
10 Fees: \$93.50; Total Hours: 0.2

- 11 • Analyzed regulatory implications of certain state enforcement
12 matters.

13 f. Structure/Strategy/Analysis (Project Category P300)
14 Fees: \$6,268.75; Total Hours: 10

- 15 • Considered potential changes to Debtors' corporate form and
16 structure; and
17 • Drafted memorandum regarding implications of same.

18 ***Matter 20 – CPUC Investigation/OII***

19 a. Fact Gathering (Project Category C100)
20 Fees: \$745,556.31; Total Hours: 1,314.9

- 21 • Analyzed data and information requests received from various
22 parties in connection with investigation and enforcement actions;
23 • Coordinated response strategy with respect to the foregoing, along
24 with, among others, subject matter experts, the Morrison & Foerster
25 team, the Debtors, and their outside counsel;
26 • Prepared responses and objections to requests received from SED,
27 The Utility Reform Network, CalPA, and other parties, including
28 drafting extensive narrative responses to certain requests;
• Formulated discovery plan for CPUC investigation, coordinated
with the Debtors on search terms, custodians, and collection of
emails and other correspondence, and advised the Debtors regarding
privilege issues and defenses to production;
• Drafted correspondence to and engaged in meet-and-confers with
SED with respect to data requests;
• Conducted interviews with the Debtors' employees regarding
subjects of CPUC investigation;
• Prepared, compiled, and analyzed for privilege / confidentiality
various document productions;
• Prepared for and developed response strategy with respect to
additional OII commenced by CPUC; and

- Participated in numerous meetings, conference calls, and other discussions with the Debtors, the Morrison & Foerster team, and other parties regarding the foregoing.

b. Researching Law (Project Category C200)

Fees: \$68,281.01; Total Hours: 127.8

- Conducted legal research regarding numerous topics and issues, including, but not limited to, percipient and expert witnesses, appellate rights, statutory penalties, agency deference under state and federal administrative law, public records laws, and standards for settlement approval; and
- Drafted memoranda analyzing the foregoing.

c. Client Counsel – Statutory/Regulatory/Judicial (Project Category C312)

Fees: \$373,037.72; Total Hours: 527.2

- Participated on numerous calls and in-person meetings with the Debtors regarding, among other things, CPUC investigations, discovery requests, general case status, identification of potential witnesses, the development of corrective actions and work plans, and the settlement of investigations and enforcement actions;
- Advised the Debtors regarding potential impact of investigation and enforcement actions, including damages and penalties;
- Coordinated with the Debtors to obtain documents, materials, and other information responsive to discovery requests;
- Met with the Debtors' employees to draft and review written statements and prepare oral testimony; and
- Drafted, revised, and conducted presentations on the foregoing to the Debtors' management team.

d. Project Administration (Project Category P100)

Fees: \$24,811.21; Total Hours: 74.9

- Analyzed various pleadings filed with the Bankruptcy Court and their impact on various workstreams;
- Maintained case calendar and submissions file; and
- Downloaded, compiled, and distributed periodic docket updates to members of the Morrison & Foerster team.

e. Corporate Review (Project Category P210)

Fees: \$6,812.69; Total Hours: 7.6

- Analyzed and revised draft securities law disclosures with respect to ongoing investigations and enforcement actions.

f. Other (Project Category P280)

Fees: \$9,220.84; Total Hours: 11.8

- Analyzed miscellaneous documents, including proposed securities law disclosures, media statements, and bankruptcy court filings, to

consider their impact on various workstreams.

g. Structure/Strategy/Analysis (Project Category P300)
Fees: \$2,060,684.95; Total Hours: 3,277.7

- Participated in numerous meetings and conference calls with the Morrison & Foerster team to discuss case status, project management, and overall strategy;
- Met and participated on calls with co-counsel to formulate and discuss strategy with respect to CPUC investigations and data requests;
- Engaged in motion practice before administrative law judge, including drafting, revision, and analysis of various procedural and substantive pleadings to be filed by the Debtors or filed by other parties in interest;
- Prepared for and participated in status conferences and hearings before administrative law judge;
- Drafted responses to OILs, as well as developing and compiling materials in support of same;
- Worked with fact witnesses to prepare for written and oral testimony;
- Analyzed expert witness reports;
- Drafted corrective actions reports, formulated go-forward mitigation plans, and consulted on development of Debtors' mobile application;
- Attended numerous meetings and conference calls with SED regarding case status and potential settlement;
- Developed, negotiated, finalized, and implemented terms of global settlement among the Debtors, regulatory authorities, and other interested parties, including drafting and prosecuting a motion for judicial approval of the settlement agreement;
- Prepared supplemental information regarding proposed settlement in response to administrative law judge request; and
- Represented the Debtors in the CPUC appellate process with respect to the settlement agreement.

h. Initial Document Preparation/Filing (Project Category P400)
Fees: \$103,713.04; Total Hours: 198.3

- Drafted, revised, and prepared for filing the Retention Applications and Morrison & Foerster's monthly fee statements; and
- Prepared and filed various pleadings and miscellaneous filings in the Bankruptcy Court and before administrative law judge.

i. Non-Working Travel Time (Project Category Z016)
Fees: \$79,180.48; Total Hours: 156.4

- Fees incurred in this category represented non-working travel and, in accordance with the UST Guidelines, 50% of the time in this

category was written off.²

j. Time Entry Review (Project Category Z032)
Fees: \$11,112.09; Total Hours: 20.1

- Fees incurred in this category were for time spent analyzing invoices for compliance with the UST Guidelines, the Local Guidelines, and the Fee Protocol, and revising time entries to redact confidential information. In accordance with the UST Guidelines, all time in this category was written off.

Matter 21 – Management Compensation

a. Researching Law (Project Category C200)
Fees: \$24,670.01; Total Hours: 37.8

- Analyzed the Debtors’ public disclosures regarding ratio of executive compensation to employee compensation, and conducted legal research with respect to sufficiency of same;
- Conducted legal research regarding Debtors’ executive compensation policies and conditions for “clawback” of incentive pay; and
- Drafted memoranda with respect to the foregoing.

b. Corporate Review (Project Category P210)
Fees: \$11,733.43; Total Hours: 13.7

- Analyzed the Debtors’ proxy statement with respect to executive compensation issues and proposed revisions to same;
- Revised proposed employment agreements for newly-hired management team members; and
- Considered various deferred compensation structures.

c. Employee/Labor (Project Category P250)
Fees: \$16,214.64; Total Hours: 19.1

- Participated on calls regarding executive compensation policies;
- Advised the Debtors on “clawback” and indemnification provisions in executive compensation plans; and
- Drafted memorandum with respect to the foregoing.

² As a further accommodation to the Debtors, Morrison & Foerster agreed to write off approximately \$37,000 in additional non-working travel time (*i.e.*, nearly all of the remaining 50%), which was reflected as an additional discount on the *Second Monthly Fee Statement of Morrison & Foerster LLP for Allowance and Payment of Compensation and Reimbursement of Expenses for the Period from August 1, 2019 through August 31, 2019* [Docket. No. 4598].

1 d. Other (Project Category P280)
2 Fees: \$7,968.75; Total Hours: 8.1

- 3 • Advised the Debtors on best practices with respect to engagement
4 of independent compensation consultant.

5 ***Matter 24 – Ruby Pipeline Dispute***

6 a. Researching Law (Project Category C200)
7 Fees: \$724.20; Total Hours: 0.8

- 8 • Conducted legal research regarding Transportation Services
9 Agreement provisions, potential claims and defenses, and various
10 statutory remedies.

11 b. Client Counsel – Statutory/Regulatory/Judicial (Project Category C312)
12 Fees: \$633.68; Total Hours: 0.7

- 13 • Advised Debtors with respect to expiration and extension of
14 standstill agreement.

15 c. Business Disputes (Project Category C341)
16 Fees: \$5,014.58; Total Hours: 5.3

- 17 • Advised Debtors regarding bankruptcy impact on Ruby issues;
18 • Drafted and revised correspondence relating to standstill agreement
19 and extension thereof; and
20 • Analyzed impact of plan of reorganization on the foregoing.

21 d. Structure/Strategy/Analysis (Project Category P300)
22 Fees: \$1,086.30; Total Hours: 1.2

- 23 • Conducted strategic overview of legal arguments relating to Ruby
24 dispute.

25 ***Matter 25 – Corporate Structure***

26 a. Fact Gathering (Project Category C100)
27 Fees: \$1,071.00; Total Hours: 3.7

- 28 • Conducted factual research to identify precedent relating to
corporate structure of electric cooperatives, municipal utilities, and
public benefit corporations.

• Researching Law (Project Category C200)
Fees: \$10,848.13; Total Hours: 19

- Conducted legal research regarding various regulatory requirements
relating to corporate structure, bond issuance, and government
dealings; and
• Analyzed impact of California procurement laws on various
corporate structures.

1 e. Corporate Review (Project Category P210)
2 Fees: \$27,886.82; Total Hours: 29.8

- 3 • Drafted and revised memoranda analyzing potential corporate
4 structures and impact on directors and officers;
5 • Advised Debtors regarding feasibility of various structures and
6 participated in management meetings with respect to same; and
7 • Considered various plan of reorganization provisions to effectuate
8 changes to corporate form.

9 f. Tax (Project Category P220)
10 Fees: \$1,776.08; Total Hours: 2.1

- 11 • Drafted memorandum addressing tax consequences of certain
12 corporate structures.

13 g. Structure/Strategy/Analysis (Project Category P300)
14 Fees: \$104,220.77; Total Hours: 143.8

- 15 • Prepared for and participated in management meetings regarding
16 corporate restructuring options;
17 • Analyzed impact of the foregoing on public reporting requirements,
18 capital raising, and government procurement;
19 • Drafted and revised white paper regarding potential conversion to
20 public benefit corporation;
21 • Coordinated with Debtors' outside counsel regarding alternative
22 reorganization structures;
23 • Considered potential bankruptcy issues arising from the foregoing;
24 and
25 • Advised the Debtors on post-emergence corporate governance
26 matters.

27 ***Matter 27 – Employee Discount***

28 a. Fact Gathering (Project Category C100)
Fees: \$543.15; Total Hours: 0.6

- Analyzed prior work product regarding employee discount program
and potential consumer protection issues arising from changes to
same.

b. Researching Law (Project Category C200)
Fees: \$10,572.30; Total Hours: 16.2

- Conducted legal research on consumer protection laws, automatic
billing and related opt-out requirements, and retroactive
modifications to existing contracts.

1 ***Matter 28 – Irrigation Districts***

2 a. Business Disputes (Project Category C341)
3 Fees: \$5,916.96; Total Hours: 12

- 4 • Advise the Debtors with respect to various Federal Energy
5 Regulatory Commission (“FERC”) issues arising from irrigation
6 district dispute; and
7 • Drafted settlement proposal with respect to the foregoing.

8 b. Researching Law (Project Category C200)
9 Fees: \$4,121.97; Total Hours: 5.2

- 10 • Conducted legal research regarding potential FERC damages.

11 The foregoing is merely a summary of the various professional services rendered by
12 Morrison & Foerster during the Final Compensation Period. The professional services performed
13 by Morrison & Foerster were necessary and appropriate to the administration of the Chapter 11
14 Cases and were in the best interests of the Debtors and the estates. Compensation for such services
15 as requested is commensurate with the complexity, importance, and nature of the issues and tasks
16 involved.

17 The professional services performed by partners, counsel, and associates of
18 Morrison & Foerster were primarily rendered by the Litigation and Corporate Departments. As set
19 forth in the Retention Applications, Morrison & Foerster has extensive general experience in and
20 knowledge of the energy industry, as well as Morrison & Foerster’s reorganized expertise in the
21 field of regulatory defense, criminal investigations, and litigation involving state and federal
22 government entities.

23 The professional services performed by Morrison & Foerster on behalf of the
24 Debtors during the Final Compensation Period required an aggregate expenditure of 6,053.7
25 recorded hours by Morrison & Foerster’s partners, counsel, associates, paraprofessionals, and other
26 non-legal staff. Of the aggregate time expended, 1,489.5 recorded hours were expended by partners
27 and counsel of Morrison & Foerster, 4,031.5 recorded hours were expended by associates, 532.7
28 recorded hours were expended by paraprofessionals and other non-legal staff of Morrison &
Foerster.

During the Final Compensation Period, Morrison & Foerster billed the Debtors for

1 time expended by attorneys based on hourly rates ranging from \$1,487.50 to \$433.50 per hour for
2 attorneys.³ Allowance of compensation in the amount requested would result in a blended hourly
3 billing rate of approximately \$645.51 (based on 5,521 recorded hours for attorneys at Morrison &
4 Foerster's billing rates in effect at the time of the performance of services).

5 **Actual and Necessary Disbursements of Morrison & Foerster**

6 Morrison & Foerster has disbursed \$50,309.08 as expenses incurred in providing
7 professional services during the Final Compensation Period. These expenses are reasonable and
8 necessary and were essential to, among other things, timely respond to motions and objections and
9 the overall administration of these Chapter 11 Cases.

10 Morrison & Foerster has not charged the Debtors for any overtime expenses.
11 Consistent with firm policy, attorneys and other employees of Morrison & Foerster who worked
12 late into the evenings, on weekends or holidays, or were traveling in connection with these Chapter
13 11 Cases were reimbursed for their reasonable meal costs and their cost for transportation home
14 from the office. Morrison & Foerster's regular practice is not to include components for those
15 charges in overhead when establishing billing rates and to charge its clients for these and all other
16 out-of-pocket disbursements incurred during the regular course of the rendition of services. The
17 amounts for which Morrison & Foerster is seeking reimbursement for reasonable meal costs are
18 consistent with the local practice for chapter 11 cases filed in the Southern District of New York
19 and the District of Delaware.

20 With respect to photocopying expenses, as set forth in the Retention Application,
21 Morrison & Foerster charges all of its clients \$.10 per page; for color copies, Morrison & Foerster
22 charges \$.50 per page. Except as set forth herein, each of these categories of expenses does not
23 exceed the maximum rate set by the Local Guidelines. These charges are intended to cover
24 Morrison & Foerster's direct operating costs, which costs are not incorporated into the Morrison &
25 Foerster hourly billing rates. Only clients who actually use services of the types set forth in the
26

27 ³ The rates charged by Morrison & Foerster are discussed in greater detail in the certification
28 attached hereto as **Exhibit C**.

1 summary sheet are separately charged for such services. The effect of including such expenses as
2 part of the hourly billing rates would impose that cost upon clients who do not require extensive
3 photocopying and other facilities and services. The amount of the standard photocopying charge
4 is intended to allow Morrison & Foerster to cover the related expenses of its photocopying service
5 and represents a good faith estimate of the actual cost of the copies. A determination of the actual
6 expenses per page for photocopying, however, is dependent on both the volume of copies and the
7 total expenses attributable to photocopying on an annual basis.

8 On certain occasions, overnight delivery of documents and other materials was
9 required as a result of circumstances necessitating the use of such express services. These
10 disbursements are not included in Morrison & Foerster's overhead for the purpose of setting billing
11 rates. The actual expenses incurred in providing professional services were necessary, reasonable,
12 and justified under the circumstances to serve the needs of the Debtors, their estates, and their
13 economic stakeholders.

14 **The Requested Compensation Should Be Allowed**

15 Section 331 of the Bankruptcy Code provides for interim compensation of
16 professionals and incorporates the substantive standards of section 330 to govern the Court's award
17 of such compensation. 11 U.S.C. § 331. Section 330 of the Bankruptcy Code provides that a Court
18 may award a professional employed under section 327 of the Bankruptcy Code "reasonable
19 compensation for actual, necessary services rendered [and] reimbursement for actual, necessary
20 expenses." 11 U.S.C. § 330(a)(1). Section 330 also sets forth the criteria for the award of such
21 compensation and reimbursement:

22 In determining the amount of reasonable compensation to be
23 awarded to [a] professional person, the court shall consider
24 the nature, the extent, and the value of such services, taking
into account all relevant factors, including –

- 25 (A) the time spent on such services;
- 26 (B) the rates charged for such services;
- 27 (C) whether the services were necessary to the administration of,
28 or beneficial at the time at which the service was rendered
toward the completion of, a case under this title;

- 1 (D) whether the services were performed within a reasonable
2 amount of time commensurate with the complexity,
3 importance, and nature of the problem, issue, or task
4 addressed; and
5 (E) with respect to a professional person, whether the person is
6 board certified or otherwise has demonstrated skill and
7 experience in the bankruptcy field; and
8 (F) whether the compensation is reasonable based on the
9 customary compensation charged by comparably skilled
10 practitioners in cases other than cases under this title.

11 *Id.* § 330(a)(3).

12 In the instant case, Morrison & Foerster submits that the services for which it seeks
13 compensation and the expenditures for which it seeks reimbursement in this Application were
14 necessary for and beneficial to the preservation and maximization of value for all stakeholders and
15 to the orderly administration of the Chapter 11 Cases. Such services and expenditures were
16 necessary to and in the best interests of the Debtors' estates, creditors, and all other parties in
17 interest. The compensation requested herein is reasonable and appropriate in light of the nature,
18 extent, and value of such services to the Debtors, as well as the size and complexity of these Chapter
19 11 Cases.

20 The professional services were performed expediently and efficiently. Whenever
21 possible and appropriate, Morrison & Foerster sought to minimize the costs of its services to the
22 Debtors by utilizing talented junior attorneys and paraprofessionals to handle the more routine
23 aspects of case administration.

24 In sum, the services rendered by Morrison & Foerster were necessary and beneficial
25 to the Debtors' estates and were consistently performed in a timely manner commensurate with the
26 complexity, importance, and nature of the issues involved. Accordingly, approval of the
27 compensation for professional services and reimbursement of expenses sought herein is warranted.

28 Notice

Notice of this Application has been provided to parties in interest in accordance with
the procedures set forth in the Interim Compensation Order. Morrison & Foerster submits that, in
view of the facts and circumstances, such notice is sufficient and no other or further notice need be

1 provided.

2 **Conclusion**

3 Morrison & Foerster respectfully requests that the Court (i) award an interim
4 allowance of Morrison & Foerster's compensation for professional services rendered during the
5 Final Compensation Period in the amount of \$3,690,952.15, consisting of \$3,640,643.07,
6 representing 100% of fees incurred during the Final Compensation Period, and reimbursement of
7 \$50,309.08, representing 100% of actual and necessary expenses incurred during the Final
8 Compensation Period, and that such allowance be without prejudice to Morrison & Foerster's right
9 to seek additional compensation for services performed and expenses incurred during the Final
10 Compensation Period which were not processed at the time of this Application, (ii) direct payment
11 by the Debtors of the difference between the amounts allowed and any amounts previously paid by
12 the Debtors pursuant to the Interim Compensation Order, and (iii) grant such other and further relief
13 as is just.

14 Dated: August 31, 2020

MORRISON & FOERSTER LLP

By: /s/ Joshua Hill Jr.
Joshua Hill Jr.

*Special Regulatory Counsel to Debtors
and Debtors in Possession*

Notice Parties

PG&E Corporation
c/o Pacific Gas & Electric Company
77 Beale Street
San Francisco, CA 94105
Attn: Janet Loduca, Esq.

Keller Benvenutti Kim LLP
650 California Street, Suite 1900
San Francisco, CA 94108
Attn: Tobias S. Keller, Esq.,
Jane Kim, Esq.

The Office of the United States Trustee for Region 17
450 Golden Gate Avenue, 5th Floor, Suite #05-0153
San Francisco, CA 94102
Attn: James L. Snyder, Esq.,
Timothy Laffredi, Esq.

Milbank LLP
55 Hudson Yards
New York, NY 10001-2163
Attn: Dennis F. Dunne, Esq.,
Sam A. Khalil, Esq.

Milbank LLP
2029 Century Park East, 33rd Floor
Los Angeles, CA 90067
Attn: Paul S. Aronzon, Esq.,
Gregory A. Bray, Esq.,
Thomas R. Kreller, Esq.

Baker & Hostetler LLP
11601 Wilshire Boulevard, Suite 1400
Los Angeles, CA 90025-0509
Attn: Eric Sagerman, Esq.,
Cecily Dumas, Esq.

Bruce A. Markell Fee Examiner
541 N. Fairbanks Ct., Ste 2200
Chicago, IL 60611-3710

Scott H. McNutt 3
24 Warren Road
San Mateo, California 94402